

My husband and I have been independent business owners (IBOs) with Quixtar for 8 and 5 years respectively. We have greatly enjoyed our involvement and look forward to continually growing and developing with the business team. We are currently on track to replace my income within the next two years so that I can stay home when we start our family. I have never been introduced to any other opportunity that could offer me that option along with numerous other benefits including friendships and mentors.

I am in support of the FTC rule for proposed business opportunities in that people should be given clear, simple income disclosures for the potential income of an IBO. Also, I agree that there should definitely be an easy and reasonable cancellation policy in place that allows a person to quit and receive a full refund for their initial investment. These elements are vital to presenting a strong, non-pressurized business opportunity to any person and allowing them the freedom to make a choice on their involvement based on a clear, concise business plan.

However, I firmly believe that the requirement of a 7-day waiting period is unnecessary and imposes limitations to success. One of our main goals is to be able to show a new prospect quick success with some of their friends and family. This ability is extremely important to the prospect because it allows them to see the business in action rather than simply relying on theory. Since they can sign up and/or quit easily at any time this is our best means for giving them a clear understanding of how our business works so that they can make an informed decision.

Another element of the rule that we are opposed to is the requirement to provide references. One of the first steps in our process is bringing the prospect to a seminar explaining the plan in more detail. At our local seminar for example there are several hundred IBOs present and the prospect is introduced to some of the other IBOs that would be a part of their support team. This way it in no way violates the privacy of IBOs by having their personal information passed out to numerous prospects.

The requirement to provide a litigation list is another factor that would hinder our business growth by adding confusing material. To be required to list all claims made against the Quixtar corporation whether they have merit or not is an unreasonable expectation. There are so many frivolous lawsuits that have no merit and are dropped that cause negative images even though there is no substance. If a prospect wants to get that information it can be easily obtained but to require their disclosure simply allows more confusion when the prospect is deciding on whether or not the business opportunity is right for them.

The last point of the rule that I have a strong opinion about is the requirement for financial substantiation. In our business seminars we specifically discuss income levels that are approved by the FTC at several different levels. These incomes accurately represent what someone could expect to make if they had their business structured that way. Since most IBO's structures are not identical to the model their actual income can vary within a general range. So for someone to disclose their specific income it could also be confusing for a new prospect since that person could make considerably more or less than the projection depending once again on how their business is structured. Finally, this is a matter of an invasion of privacy and it should be up to the IBO's discretion as to whether or not to tell someone their specific income.

Although these may seem like a lot of complaints against the rule, I believe that its overall purpose is good. I believe that businesses should be required and regulated to make sure that they maintain clear plans and guidelines so that prospects can make the most informed decision possible.